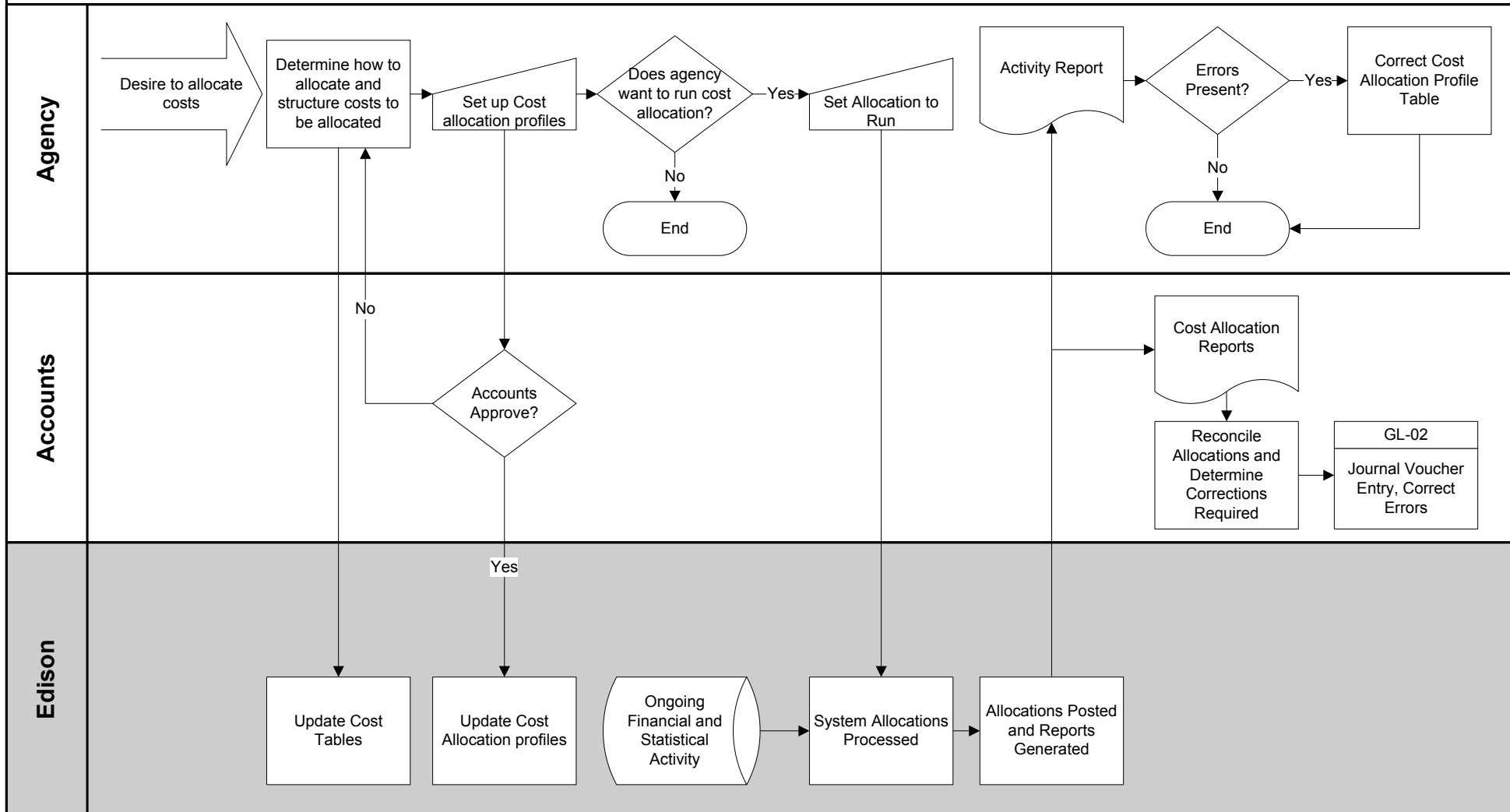


Process: Cost Accounting
Sub-Process: CA-01- Cost Allocations
Prepared By: Project Edison – State of Tennessee

File: To Be CA-01 Cost Allocation
Date: 10/21/05
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Process Name: Cost Allocation		Process Identifier: CA	
Sub-Process Name: Cost Allocation		Sub-Process Identifier: CA-01	
Sub-Process Purpose and Objectives: To allocate the overhead or shared costs.			
<p>Sub-Process Description: Cost allocation is used to distribute costs that are either overhead or shared costs. The cost allocation methods that are allowed are: standard rate, standard cost per unit, standard amount, fixed percentage, and calculated percentage. Calculated percentage can be based on statistical units or dollars in a given organization unit.</p> <p>When the tables to allocate amounts recorded in organization units are set up, the organization units to be allocated to/from are identified and included in the allocation. Agencies determine when to run the allocations by setting an indicator in Project Edison. After allocations are run, the agencies and the Division of Accounts will review the reports to validate the accuracy of the adjustments. Any errors noted will be corrected and the Cost Allocation Profile Table will be updated as necessary. Normally when cost allocation runs, the costs being allocated zero out the original costs.</p>			
Sub-Process Trigger(s): <ul style="list-style-type: none"> Need to run cost allocation 		Key Sub-Process Participants: <ul style="list-style-type: none"> Agency Division of Accounts 	
Inputs:			
Input	Format	Volume/Time	Suppliers
Costs recorded in Project Edison	Electronic		State agencies
Outputs:			
Output	Format	Volume/Time	Recipients
Costs allocated	Electronic		State Agencies
Performance Measures Tracked:			
Measure	Current Value	Target Value	
Costs allocated monthly to meet agency needs and comply with federal requirements	Monthly	Monthly	

Law, Policy, or Statute Site That Govern Sub-Process:	
Law, Policy, or Statute	Change Required (Yes/No)?
A-87	No
Key Assumptions:	
<ul style="list-style-type: none"> 	
Improvements:	
<ul style="list-style-type: none"> Ability to allocate across divisions 	
Change Management Concerns:	Communication Actions:
<ul style="list-style-type: none"> Identifying agency specific needs prior to training, and targeting the specific areas to minimize possible confusion caused by the wide range of possible distributions 	<ul style="list-style-type: none"> Identify allocation requirements Develop agency specific training
Eliminated Non-Core Systems:	
<ul style="list-style-type: none"> 	